

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRED'S, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 19-11984 (CSS)
)
) Jointly Administered
)
) Re: D.I. 204, 211, 286 & 364

NOTICE OF SUCCESSFUL BIDDERS

1. On September 27, 2019, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered the *Order (I) Establishing Procedures for the Sale of Debtors' Real Estate Assets, (II) Authorizing the Debtors to Retain and Compensate Real Estate Brokers in Connection Therewith, (III) Approving Stalking Horse Bid Protections and (IV) Granting Related Relief* [D.I. 204] (the “Sale Procedures Order”)² by which the Court approved procedures to conduct sales (the “Sales”) of certain assets (the “Assets”) free and clear of all liens, claims, encumbrances, and other interests and conduct an auction (the “Auction”) pursuant to section 363 of the Bankruptcy Code. The Assets include a distribution center located at 2815 Hwy 257, Dublin, Georgia 31021, including fixtures and certain other personal property (the “Distribution Center”), and a portfolio of real estate assets (the “Store Properties”).

2. On September 27, 2019, pursuant to the Sale Procedures Order, the Debtors filed and caused to be served the *Notice of Bid Deadline, Auction and Sale Hearing* [D.I. 211] (the “Auction and Hearing Notice”). On October 11, 2019, pursuant to the Sale Procedures Order, the Debtors filed and caused to be served the *Notice of Designation of Stalking Horse Bidders* [D.I. 286]. On October 23, 2019, pursuant to the Sale Procedures Order, the Debtors filed and caused to be served the *Notice of Change of Auction Location and Time for Proposed Sale of Debtors' Real Estate Assets* [D.I. 364] (the “Amended Auction and Hearing Notice”).

3. Pursuant to the Sale Procedures Order, the Auction and Hearing Notice, and the Amended Auction and Hearing Notice, the Auction was held on October 28, 2019 at the offices of Kasowitz Benson Torres LLP, 1633 Broadway, New York, New York 10019.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: Fred's, Inc. (4010); Fred's Stores of Tennessee, Inc. (9888); National Equipment Management and Leasing, Inc. (4296); National Pharmaceutical Network, Inc. (9687); Reeves-Sain Drug Store, Inc. (4510); Summit Properties-Jacksboro, LLC (9161); Summit Properties-Bridgeport, LLC (2200); and 505 N. Main Opp, LLC (5850). The Debtors' address is 2001 Bryan Street, Suite 1550, Dallas, Texas 75201.

² Capitalized terms that are not otherwise defined herein have the meanings given to such terms in the Sale Procedures Order.

4. At the conclusion of the Auction, the Debtors, in consultation with the DIP Agent and the Committee, selected: (i) Perry Ellis International, Inc. as the Successful Bidder for the Distribution Center, with a bid of \$15,700,000.00; and (ii) R.A. Wilson Enterprises, Inc. as the Successful Bidder for a portfolio of Store Properties, with a bid of \$22,300,000.00.

5. The Debtors will file proposed forms of order reflecting the sale of the Distribution Center and the Store Properties (the “Proposed Sale Orders”) prior to the Sale Hearing scheduled for Wednesday, October 30, 2019 at 12:00 p.m. (EDT), at which time they will seek entry of the Proposed Sale Orders.

Dated: October 29, 2019
Wilmington, Delaware

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